

NATIONAL DAIRY MARKET AT A GLANCE

At the Chicago Mercantile Exchange (CME), all grades of bulk butter increased 2 1/2 cents: Grade AA is \$1.6000; Grade A, \$1.4950; and Grade B, \$1.4950. Also at the CME, barrel cheese prices decreased 3 cents to \$1.3275 and 40# blocks increased 3/4 of a cent to \$1.4100.

On November 3, 1997, a Minnesota U.S. District Court Judge issued a decision in Minnesota Milk Producers et al. v. Glickman. The Judge found that the Secretary failed to consider the factors, mandated by the authorizing legislation, in setting Class I differentials in 28 orders. He declared that the differentials are unlawful, and enjoins the Secretary from enforcing them. Regarding the Basic Formula Price (BFP), however, the Judge found that the Secretary did adequately justify the BFP on the basis of the legislatively mandated factors.

In August 1997, mailbox milk prices reported for selected Federal milk orders averaged \$12.28 per cwt., \$.56 more than the figure for the previous month. On a regional basis, the average prices and changes from the previous month were: Northeast, \$12.33, up \$.50; Southeast, \$13.18, up \$.09; Midwest, \$12.35, up \$.71; and West, \$11.63, up \$.55. Compared to August 1996, mailbox milk prices, on average, decreased \$3.00 per cwt. The following are regional changes from the previous year: -\$2.83 in the Northeast, -\$3.51 in the Southeast, -\$2.99 in the Midwest, and -\$3.10 in the West.

Milk production is increasing at varying rates in most of the Southern states and up the West Coast. In the Northeast and Upper Midwest, milk is steady to lower and at or near the low point in the annual cycle. Depending

on feed quality and region, yields and component tests range from below normal to slightly above seasonal norms. Fewer loads are moving into the Southeast this week as local milk production is in much better balance with needs. The fluid cream market is firm. Offerings are tight and demand remains good despite the current, high prices for butterfat.

The dry dairy product markets are mostly unchanged. Nonfat dry milk sales are slow for domestic needs; fair to good for export under DEIP. After four weeks of not purchasing, the CCC was offered NDM again this week. The dry whey market is still quite firm. Production levels are steady to lighter in many areas of the country. Demand for dry whey is not very aggressive and there is resistance to higher prices. The WPC and lactose markets are showing signs of firmness and prices are steady to fractionally higher.

During the week of November 10 - 14, CCC purchased 1,012,958 pounds of nonfortified NDM. Of that total, 902,783 pounds came from the Western region and 110,175 pounds came from the Eastern region. CCC also received cancellations for 119,048 pounds of previously offered Western NDM.

****SPECIAL THIS ISSUE****

1997 MARKETING YEAR CCC PURCHASE SUMMARY (PAGE 2)
FEDERAL MILK ORDER MINIMUM CLASS PRICE HIGHLIGHTS (PAGES 7-8)
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AUGUST MAILBOX PRICES (PAGE 10)

BUTTER MARKETS**CHICAGO WHOLESALE**

Dollars per pound, trucklot, bulk in fiber boxes, delivered metropolitan area, prices include CCC purchase price whenever bulk butter is moving to CCC from the Midwest area.

GRADE	NOVEMBER 10	NOVEMBER 13	NOVEMBER 14
AA	\$1.5750 - 1.5850	\$1.5750 - 1.5850	\$1.5750 - 1.5850
A	\$1.4700 - 1.4800	\$1.4700 - 1.4800	\$1.4700 - 1.4800

() Change from previous price.

BUTTER HIGHLIGHTS: At the Chicago Mercantile Exchange, all grades of bulk butter are increased 2 1/2 cents: Grade AA is \$1.6000 and Grades A & B are \$1.4950. Butter markets continue to be unsettled. Stocks of butter range from in close balance to short. Churning schedules are slightly heavier, but stock levels remain short of full needs. Overall demand is fair to good as buyers prepare for the upcoming holidays. Many retailers increased prices after the rise, but few have dropped them. Feature activity is questionable with the price fluctuations of the past few weeks.

CHICAGO MERCANTILE EXCHANGE**BUTTER TRANSACTIONS ON FRIDAY, NOVEMBER 14, 1997**

(CARLOT UNIT = 40,000 - 42,000 LBS.)

GRADE	PRICE CHANGE	LAST SIGNIFICANT TRANSACTION - LST
AA	+.0250	\$1.6000 : BID 11/14/97
A	+.0250	\$1.4950 : BID 11/14/97
B	+.0250	\$1.4950 : BID 11/14/97

SALES: 1 CAR GRADE AA @ \$1.5850

BIDS UNFILLED: 3 CARS GRADE AA:
1 @ \$1.5750, 1 @ \$1.5850, 1 @ \$1.6000 (LST)
2 CARS GRADE A:
1 @ \$1.4900, 1 @ \$1.4950 (LST)
1 CAR GRADE B @ \$1.4950 (LST)

OFFERS UNCOVERED: NONE

CHEESE MARKETS**WISCONSIN ASSEMBLY POINTS**

Dollars per pound, standard moisture basis (37.8-39.0%), carlot/trucklot, F.O.B. plants or storage centers, prices include CCC purchase price whenever cheese is moving to CCC from the Midwest area.

CHEDDAR STYLES	NOVEMBER 10 - 14, 1997
BARRELS*	\$1.3650 - 1.3775 (NOMINAL)
40# BLOCKS	\$1.4250 - 1.4375 (NOMINAL) (.0050)

() Change from previous week. * If steel, barrel returned.

CHEESE HIGHLIGHTS: The cheese market is fully steady on blocks, unsettled on barrels. The block price at the Chicago Mercantile Exchange increased .75 cent to \$1.4100, but barrels declined 3 cents to \$1.3275 in light trading. Natural interest continues to exceed process sales. Cheese and milk production continue to hover near annual low levels through most of the major cheese producing areas. CCC cheese invitations for January shipment are found on page 11 of this report.

CHEESE TRANSACTIONS ON THURSDAY, NOVEMBER 13, 1997

(CARLOAD UNIT = 40,000-44,000 LBS.)

CHEDDAR STYLES	PRICE CHANGE	LAST SIGNIFICANT TRANSACTION
BARRELS	-.0300	\$1.3275 : SALE 11/13/97
40# BLOCKS	+.0075	\$1.4100 : SALE 11/13/97

SALES: 5 CARS BARRELS:
2 @ \$1.3450, 2 @ \$1.3375, 1 @ \$1.3275 (LST)
2 CARS 40# BLOCKS:
1 @ \$1.4050, 1 @ \$1.4100 (LST)

BIDS UNFILLED: 5 CARS 40# BLOCKS:
2 @ \$1.4100, 3 @ \$1.4050

OFFERS UNCOVERED: 9 CARS BARRELS:
1 @ \$1.3275, 1 @ \$1.3475,
5 @ \$1.3550, 2 @ \$1.3575
1 CAR 40# BLOCKS @ \$1.4550
1 CAR 40# BLOCKS (3 MONTHS OLD) @ \$1.5275
1 CAR 40# BLOCKS (2 MONTHS OLD) @ \$1.5125

Summary of CCC Milk Price Support and Related Program Activities, 1997 Marketing Year

Item	Butter	Cheese	NDM/DWM 1/	Item	Butter	Cheese	NDM/DWM 1/
	Thousand Pounds				Thousand Pounds		
Purchases:				Domestic Donations: 4/			
Price Support	0	1,908	31,917	Schools	0	73,809	4,135
Market Price 2/ DWM	619	83,943	12,743 2,072	Institutions	425	8,188	8,827
Total Purchases	619	85,851	46,732	Foreign Donations:			
Domestic Sales:				Food for Progress-			
Unrestricted	0	0	0	DWM			2,072
				Food for Peace-			0
Foreign Sales:				DWM			
DEIP 3/ DWM	39,436	8,045	251,281 10,560	Total Utilizations	39,861	90,042	276,875
				Uncommitted Inventories	0	0	0

1/ Nonfat dry milk or Dry whole milk. Figures are nonfat dry milk unless otherwise specified. 2/ Cheese includes American -- 59,511 and Mozzarella -- 24,432; purchases are on a delivery basis. 3/ Contract basis. 4/ Based on orders issued for shipment.

SOURCE: Farm Service Agency, U.S. Department of Agriculture. For more information, contact Beverly Sadler (202) 720-1696.

(Editor's note: Marketing Year is October 1 - September 30.)

PRINT BUTTER MARKETS - GRADE AA**NORTHEAST**

Prices are unchanged, but the market tone is unsettled. Production levels are up slightly, but stocks continue to be reported as tight. More producers have commented that the run-up in prices and the subsequent drop have done little to help retail sales of butter. Many retailers jumped prices after the rise, but have not dropped them. Producers report slower to steady demand for butter. Most comment that some "real damage" has been done. Distributors report that most Thanksgiving needs have been shipped at prices determined before October 24. However, Christmas/New Years orders are certainly going to be affected. Food service orders are, at best, steady.

WHOLESALE PRICES: MIN 25 BOXES
DOLLARS PER POUND, DELIVERED EAST COAST CITIES

1/4 LB. PRINTS	:	1.7850-2.0325
1 LB. PRINTS	:	1.7000-1.8725
CHIPS/PATTIES	:	1.7625-1.9425
REDDIES	:	1.8375-2.0325
CONTINENTALS	:	1.9175-2.0925

CENTRAL STATES PRINT BUTTER

Print butter prices are generally unchanged. The market tone remains unsettled. Overall buying interest is good, as many buyers return to the market or continue to place orders for upcoming holiday needs. Butter handlers continue to analyze the impact of recent price fluctuations in the cash market in relation to orders and potential orders. Producers and handlers are stating that it is too early yet to come to a conclusion, but many feel that the disruption might not be as severe as previously anticipated. Stocks of bulk and print butter remain in close balance to short of full needs.

FOB CENTRAL STATES PLANTS: MIN 20,000 POUNDS, \$ PER POUND

1/4 LB. PRINTS	:	1.6750-2.0825
1 LB. PRINTS	:	1.6400-1.8025
CHIPS/PATTIES	:	1.6650-1.8750
REDDIES	:	1.7500-1.9850
CONTINENTALS	:	1.9050-2.0950

WEST

Market activity has picked up after prices adjusted off the record high peak of a few weeks ago. Buyers are looking for butter to get into position to cover holiday needs. Feature activity is questionable with the price gyrations of the past few weeks, although some is noted. Butter is moving again after activity had come to a complete halt for a short period of time. A number of manufacturing plants are selling less cream because they need to make additional butter to cover current orders.

WHOLESALE SELLING PRICES: DELIVERED WESTERN CITIES
150 - 1000 POUNDS, DOLLARS PER POUND

1/4 LB. PRINTS	:	1.8575-1.9050
1 LB. PRINTS	:	1.7875-1.8475
PATTIES	:	1.8300-1.9950
REDDIES	:	1.9550-1.9725

FOB CALIFORNIA PLANTS - GRADE AA
100 CASES AND UP, DOLLARS PER POUND

1/4 LB. PRINTS	:	1.5725-1.6125
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WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	:	CHEESE
		:	
11/10/97	8,916	:	107,247
11/01/97	12,578	:	109,419
CHANGE	-3,662	:	-2,172
% CHANGE	-29	:	-2

NASS CHEDDAR CHEESE PRICE SURVEY

WEEK ENDING	40# BLOCKS		640# BLOCKS		BARRELS (adjusted to 39% moisture)		
	MN/WI	WEST	U.S.	U.S.	MN/WI	OTH STATES	U.S.
NOVEMBER 7	1,4259	1,3692	1,3838	1,4190	1,3645	1,3377	1,3473
	1,405,855	4,826,197	6,372,219	587,132	3,378,856	5,975,424	9,354,280

Further data may be found on the Internet at: <http://usda.mannlib.cornell.edu/reports/nassr/price/cheddar/>

CHEESE MARKETS

NORTHEAST

Prices are fractionally higher on natural items; unchanged on Swiss and process. The market tone ranges from unsettled to steady. Recent developments in the butter market are having some impact on cheese makers. Cheese output is steady to lighter as milk supplies tighten along seasonal patterns. Demand for cheese is fair to good with best interest on aged cheddar, mozzarella, and process. Also, sales of holiday gift pack items are under way. Plant stocks of cheese are closely balanced with needs. Food service orders are quite good as restaurants prepare for Thanksgiving plus the beginning of the Christmas shopping season.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.4150-1.8850
Cheddar Single Daisies	:	1.3850-1.8900
Cheddar 40# Block	:	1.5400-1.6900
Process 5# Loaf	:	1.5675-1.7175
Process 5# Sliced	:	1.5875-1.7525
Muenster	:	1.5825-1.9725
Grade A Swiss Cuts 10 - 14#	:	2.2500-2.5050

The cheese market is steady on natural, somewhat still unsettled on barrels. At the Chicago Mercantile Exchange on November 6, the price of blocks increased .5 cent to \$1.4025 and barrels were unchanged at \$1.3575 per pound. Many traders were surprised by the block increase, since few felt that current supplies were especially tight. Natural orders are irregular though some sellers are seeing some demand improvement in seasonal or holiday items. Process cheese sales are steady to slightly improved. Some continued seasonal movement of aged cheddar is occurring but buyers remain very price conscious. Swiss prices are steady to occasionally higher as producers pass on milk price increases from recent months. Reports continue to suggest increased cheese offerings from other parts of the country are becoming more available. Milk intakes continue to bounce around near annual levels in most major northern producing areas, but are partially offset as fat and protein yields continue to increase.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.4975-1.6800
Brick And/Or Muenster 5#	:	1.6600-1.8600
Cheddar 40# Block	:	1.6525-1.9150
Monterey Jack 10#	:	1.8525-1.9150
Blue 5#	:	2.0050-2.2000
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.7400-1.9150
Grade A Swiss Cuts 6 - 9#	:	2.2500-2.4850

WEST

Process and Swiss held steady while most natural varieties showed some fractional strength. Most Western contacts are calling sales good and improving seasonally. Many are commenting that current stocks are in close balance with demand. This is true for both natural and process. There are not many extra processing solids available at this time. Production is about steady with some increases noted. Milk output has improved at some locations and the solids content has returned to more seasonal levels at most plants.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.4975-1.8000
Cheddar 40# Block	:	1.5850-1.7300
Cheddar 10# Cuts	:	1.7500-1.9250
Monterey Jack 10#	:	1.7150-1.8875
Grade A Swiss Cuts 6 - 9#	:	2.3375-2.5600

FOREIGN

Prices are unchanged on imported styles; fractionally higher on most domestically made styles. Demand for imported or foreign-type cheese is starting to improve along seasonal patterns. Stocks range from tight to adequate depending on type and country of origin.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

		NEW YORK	
		IMPORTED	DOMESTIC
Roquefort			
	:		-0-
	:	2.6400-3.1400	1.7375-2.3475*
	:	3.2400-5.9400	2.4025-2.4950*
	:	TFEWR	3.1475-3.1850*
	:	2.0900-2.9000	
Provolone (Italy)	:	3.4400-5.5000	
Romano (Cows Milk)	:	-0-	
Sardo Romano (Argentina)	:	2.6500-3.2900	-0-
Reggianito (Argentina)	:		-0-
	:	2.7400-3.1200	
Swiss Cuts Switzerland	:	-0-	
Swiss Cuts Finnish	:	2.5900-2.8500	-0-
Swiss Cuts Austrian	:		-0-
	:		
	:	TFEWR	
4 Pound	:	2.1900-3.0900	-0-
Gouda, Large	:		-0-
	:		
	:	27.8000-31.7000	

* = Price change.

FLUID MILK AND CREAM

E A S T

Milk production ranges from higher in Florida and other Gulf Coast States, to a little lower in the northernmost areas. Cooler weather and the addition of cows to herds are cited for the jump in milk output in Florida. This week, Florida handlers imported about 57 loads and most of those were brought in early in the week. There were no imports late in the week. In New England, New York, and the Middle Atlantic areas, milk output is mostly steady and fluid milk supplies range from relatively tight to fully adequate. Demand for Grade A milk for Class I needs is generally steady, but ranges from slow to improved. Some schools were closed for Veteran's Day and other states are having two-day teacher conferences which are disrupting school lunch milk bottling. Diversions of surplus milk to manufacturing channels are limited in the Southeast and about steady elsewhere. Manufacturing plants are starting to prepare for the Thanksgiving rush of milk, but most contacts think volumes will be easily handled. The condensed skim market is quite good. Prices are steady to lower and demand is often reported as good. Some loads are moving greater distances to fill demand. Although not unheard of, it is unusual for November's Class III milk prices to be above Class II. Therefore, prices of condensed skim moving to Class II customers are often higher than loads moving to Class III users. The fluid cream market is firm. Suppliers are tight and prices unchanged to higher. Demand seemed to improve after the CME butter prices did not change last week. Multiples are often higher, particularly as the week progressed. Ice cream output is seasonally slower because of the high cost of cream/butterfat. Some producers have switched to other products and others are using alternatives in their formulations. Cream cheese and sour cream production is holding up fairly well. Although prices for cream are very high, they do have orders that have to be filled. Egg nog production is gearing up in more plants. Churning activity is steady to heavier. Some butter makers are looking for more cream and offering very competitive prices.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. Producing Plants: Northeast	-	2.0286 - 2.2050
Delivered Equivalent Atlanta	-	2.0286 - 2.2092 M 2.0580-2.2050
F.O.B. Producing Plants: Upper Midwest	-	1.8600 - 2.0433

PRICES OF CLASS II CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. Producing Plants: Northeast	-	1.0000 - 1.0350
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M I D W E S T

WISCONSIN SPOT SHIPMENTS:

SPOT SHIPMENTS:	LOADS
NOVEMBER 7 - 13, 1997	4
PREVIOUS WEEK	8
COMPARABLE WEEK IN 1996	4

DESTINATIONS: KENTUCKY 4

Class I demand was sharply higher as bottlers prepare for some retail promotional activity and also increased production of holiday items such as egg nog and chip dips. Class II interest was also improved. Class I premiums of over \$3.00 were being received, but buyers are trying to insure a good delivery schedule. Handlers have been scheduling an increased number of loads to Class I and II accounts for

next week's delivery. A couple cheese plant operators were making extra milk sales in order to enjoy additional time off for deer hunting. Deer hunting is occurring in upper Midwestern states at various periods over the next few weeks. Manufacturing milk interest was steady for the limited supplies. Besides the loads reported, 10 loads were shipped to Ohio and 6 more sent to Michigan. About 20 loads of Wisconsin milk are "direct shipped" and pooled under a Southern Federal Order. Cream demand is about steady though many cream buyers, principally ice cream accounts, are waiting for anticipated lower prices. Plant milk receipts are bouncing around near annual low points in most upper Midwestern areas. Fat and protein tests are near annual high levels with a few reports indicating levels may even be above normal seasonal levels. Progress continues on fall harvest and tillage operations as farmers rush to finish before snow and/or frozen ground stops some operations for the year.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	NOV 6 - 12	PREVIOUS YEAR
SLAUGHTER COWS	\$ 30.00- 36.00	\$ 27.00- 32.00
REPLACEMENT HEIFER CALVES	\$115.00-135.00	\$105.00-145.00

SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	NOV 6 - 12	PREVIOUS YEAR
SLAUGHTER COWS	\$ 30.00- 35.00	\$ 26.00- 33.00

W E S T

The December 1997 and January 1998 Class 1 prices in California range from \$14.82 in the north to \$15.09 in the south. The statewide average Class 1 based on production is \$14.88. The average is 39 cents higher than the prior period, but \$2.97 lower than the previous year. Milk producers in Arizona and New Mexico are seeing improvements in milk output on a per cow basis, partly due to seasonally milder weather. Feed availability is stated to be ample with good harvests of corn silage available at reasonable prices. Alfalfa continues to be a concern. Top-quality alfalfa is sparse and priced high. Lower quality alfalfa is more plentiful and priced lower. Other feed supplies are at least adequate for current needs. Many producers in the region continue to prepare facilities for possible adverse weather patterns this winter. In California, rainfall has not yet affected milk production. Temperatures have moderated and occasionally milk output is increasing above seasonal trends. Levels are most often above 1996 output. Milk output is increasing slightly in the Pacific Northwest. Most contacts are noting that solids levels and therefore yields are improving. Most plant managers are uncertain why the solids levels are improving because they had thought poor quality, expensive hay was the cause of the decline and that situation has not changed. Weather conditions are generally warm and dry. Any storms approaching the coast seem to be splitting and going both north and south of this region. Most contacts in the northern Mountain States region are noting that weather patterns are quickly changing from fall patterns to winter. Conditions are much colder and with more wind. Light snow flurries have been common. Protein tests are rebounding and fat tests are increasing more slowly in this region. Some are thinking that milking herds are now accustomed to their fall rations and milk producers have done a better job of fine tuning the balance of the ration.

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 11/13/97 and represent FOB Central and Western production areas. Prices represent CL/TL quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL

Prices and the market tone are unchanged. Domestic interest remains weak, but foreign demand has improved. Producers' stocks remain excessive and many have reduced or eliminated drying times until after Thanksgiving. Low heat powder production is active, but high heat production is lighter. High heat prices are at the top end of the range and demand is fair to good.

Includes EXTRA GRADE and GRADE A, all heat treatments

NONFAT DRY MILK: 1.0400 - 1.1050 MOSTLY: 1.0450 - 1.0600

DRY BUTTERMILK - CENTRAL

Buttermilk prices were adjusted slightly lower. The market tone continues to show weakness. Buying interest is slow and mainly limited to contracted accounts. Contacts report occasional offerings below the current market. Some buyers are purchasing product in other areas and trucking it in at a less expensive cost. Production levels are moderate to higher and additional surplus is depressing prices.

BUTTERMILK: .9500 - .9950

DRY WHEY - CENTRAL

The price range is lower, but the mostly range is higher. The market tone is firm and trading activity is light to moderate. Plant offerings are limited and many producers are only able to fill contracted accounts. Spot loads are scarce. Demand is fair to good. The current prices are causing buyers to be cautious and purchase only for immediate needs. Resale loads are being offered. Some end users are working off current inventories and waiting for the market to adjust. Despite some animal feed manufacturers that have switched to using whey replacement products, contacts state that the feed business is currently "carrying" the market. Contacts believe that prices will ease lower when production increases. Production levels are lighter due to the shortage of surplus milk available.

NONHYGROSCOPIC: .3100 - .3350 MOSTLY: .3150 - .3250

ANIMAL FEED WHEY - CENTRAL

Milk replacer and roller ground prices are unchanged and nominal. Off-grade product availability is tight and buyer interest is strong. Most producers are filling contracts and have little to offer on the spot market. The limited offerings are quickly purchased. Delactose prices are slightly higher and nominal. Demand remains fairly good. Standard prices are nominal. Buying interest and offerings are limited.

MILK REPLACER:	.2875 - .3100
STANDARD:	.2800 - .3050
ROLLER GROUND:	.3175 - .3300
DELACTOSE (Min. 20% protein):	.3400 - .3650

LACTOSE - CENTRAL AND WEST

Prices for lactose are unchanged and the market tone is improved. Demand is better and some customers looking for specific production are often coming up empty handed. Supplies are tight and spot activity is limited. Some producers are behind on production and many are having to turn away customers. Increased interest from animal feed buyers in whey reformulations has tightened up the market. Contacts report first quarter contract prices for 1998 are currently being negotiated.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .1800 - .2600 MOSTLY: .2000 - .2200

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

The price range is slightly higher and the market tone continues to show strength. Demand is fair to good. Feed buying interest is better than edible demand. Producers' stocks are declining and, as a result, there are fewer offerings this week. Contacts report that the product quickly clears the market when offered. Production levels are light to moderate.

EXTRA GRADE 34% PROTEIN: .5650 - .6175 MOSTLY: .5975 - .6025

NONFAT DRY MILK - WEST

Low/medium heat NDM prices are unchanged and the market tone remains slightly weak. High heat prices are mixed. DEIP interest is fair and speculation abounds as to the possibility and extent of Mexico's involvement. Some contacts feel Mexico could help tighten up the NDM market. Expectations are that the delivery period could start possibly in December with the bulk of deliveries in first quarter 1998. Contacts continue to speculate on what changes will be made to the support prices following the mandated drop in milk support prices effective January 1, 1998. The consensus is mixed, but many in the trade feel the most likely change will be that NDM will be lowered 1.8 cents while butter prices will be left alone. (The change would be the same as when support prices were adjusted on January 1, 1997.) NDM stocks are overall moderate to heavy, but are mixed between producers. More stocks are available in California than in other Western states.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: 1.0300 - 1.0650 MOSTLY: 1.0300 - 1.0500
HIGH HEAT: 1.0550 - 1.0875

DRY BUTTERMILK - WEST

Buttermilk prices are mostly steady to sometimes lower within the range. Buying interest is slow to develop on the spot market. Seasonal buyers are in the market, but most of these loads are under contract. Spot interest is mainly for fill in needs and buyers are able to find buttermilk from several producers and resellers. Drying schedules are mixed. Churning activity is heavy in advance of renewed holiday butter orders. The buttermilk generated is sometimes being dried, but most continues to move in condensed form. Stocks range from light to moderate levels and remain in excess of current needs.

BUTTERMILK: .9000 - .9800 MOSTLY: .9300 - .9400

DRY WHEY - WEST

The Western price range declined on the top end, while the mostly average increased. There are no producer stocks building. Most contacts believe that prices will continue to hold at these relatively high levels until producer stocks start to build. This may take a while since production is at the low point in the annual cycle and demand is still heavy enough to absorb current offerings quite easily. Some new export sales are being put together for first quarter 1998 going to the Far East as part of the tender program. These sales are at lower prices than are currently common in the market.

NONHYGROSCOPIC: .2700 - .3000 MOSTLY: .2775 - .2875

CALIFORNIA MANUFACTURING PLANTS

The weighted average price for Extra Grade and Grade A Nonfat Dry Milk for the seven day period ended November 07, on powder sales of 9,243,495 pounds f.o.b. California manufacturing plants was \$1.0410 per pound. This compares to 9,852,606 pounds at \$1.0431 for the previous week ending October 31, 1997. Prices for both periods were influenced by the effect of long-term contract sales. Compiled by the Dairy Marketing Branch, California Department of Food and Agriculture.

NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS

All reports represent carlot/trucklot quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

NONFAT DRY MILK - NORTHEAST AND SOUTHEAST

Prices are unchanged and the market tone remains weak. Production is often lighter because milk production is nearing its low point in the annual cycle plus the improved call for condensed skim. Shipments of milk to Florida and other Southeastern states are rapidly coming to a halt and this should put more milk into manufacturing plants. Producers' stocks are often heavier than desired, particularly low heat; high heat stocks range often tight to balanced. Demand for NDM is slow to fair for low heat, fair to good for high heat. Most spot sales are occurring in the \$1.05 - 1.07 range. Some DEIP contracts are being filled which is helping ease inventory build up. Domestic spot demand is seldom better than slow and lower prices are doing little to stimulate interest.

Includes EXTRA GRADE and GRADE A, all heat treatments

F.O.B. NORTHEAST:	1.0400 - 1.1400
DELVD SOUTHEAST:	1.0700 - 1.0850

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices are unchanged to mostly lower. Production levels are steady to slightly higher, but stocks at some producers are closely balanced with needs. However, other contacts report having product on hand for immediate shipment, but demand is slow. Resellers report little or no spot interest for buttermilk powder.

F.O.B. NORTHEAST:	.9800 - 1.0300
DELVD SOUTHEAST:	.9700 - 1.0250

DRY WHOLE MILK - NATIONAL

Prices and the market tone are mostly unchanged. Production levels are mostly geared to filling contracts. Demand is slow for domestic spot needs, but fair to good for export under the DEIP. Producers' stocks range from closely balanced to tight.

F.O.B. PRODUCING PLANT:	1.3500 - 1.5000
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DEIP BID ACCEPTANCE SUMMARY

JULY 1, 1997 THROUGH NOVEMBER 7, 1997
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	--	57,878	MT (127,597,838 LBS)
CHANGE	--	2,649	MT (5,795,893 LBS)
WHOLE MILK POWDER	--	3,504	MT (7,724,918 LBS)
CHANGE	--	84	MT (185,186 LBS)
CHEESE	--	1,137	MT (2,500,016 LBS)
CHANGE	--	89	MT (196,209 LBS)
BUTTERFAT	--	12,286	MT (27,085,715 LBS)

Allocations for the DEIP year beginning July 1, 1997 are:
Nonfat dry milk - 92,217 MT; Whole Milk Powder - 7,487 MT;
Cheese - 3,510 MT; Butterfat - 34,232 MT

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are mostly steady and the market tone is unchanged. Production levels are steady to lighter as fluid milk supplies are seasonally tight in some areas of the East. Late last week, some Eastern producers had a brief period when they were getting caught up with orders, but as this week progressed, they found that output was lagging and demand improved to a point where they are again sold out for the next two - three weeks. Some still are allocating their output. Demand is fair to occasionally good from the food side of the market. Feed demand is holding up quite well. Most spot needs are being filled with resale offerings, but price resistance and a less than aggressive demand are keeping prices from advancing.

F.O.B. NORTHEAST:	EXTRA GRADE	.3100 - .3400
	USPH GRADE A	.3400 - .3575
DELVD SOUTHEAST:		.3250 - .3550

ANIMAL FEED WHEY - NORTHEAST

Prices remain too few to report. Offerings are occasionally available, but product is still tight at the producer level. Some contacts feel that this week's animal feed market is a little slower than past weeks. They do feel that this lull is temporary.

F.O.B. NORTHEAST:	MILK REPLACER	TFEWR
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EVAPORATED MILK - NATIONAL

Prices are unchanged and the market tone is firming. Orders for Thanksgiving should have been shipped and suppliers are taking care of last minute fill-ins and preparing for the year-end holiday needs. Production levels are steady to lighter as fluid milk supplies tighten along seasonal patterns. Producers are filling orders from inventory as well as current output. The Kansas City Commodity office announced the issuance of EVD-1, invitation 390, inviting competitive offers to sell to CCC 1,468,800 pounds of evaporated milk for shipment in January 1998.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED TO MAJOR U.S. CITIES	\$22.50 - 33.00
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Excluding promotional and other sales allowances. Included new price announcements.

CASEIN - NATIONAL

Casein markets are generally steady, although rennet prices edged slightly lower. The tone to the rennet market has been mixed up to this point. Overall demand continues to center around quarterly contracts with minimal spot interest occurring on both acid and rennet. Deliveries are on schedule with buyers comfortable for the balance of the calendar year.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET:	2.1800 - 2.2500
ACID:	2.0000 - 2.1000

FEDERAL MILK ORDER MINIMUM CLASS PRICE HIGHLIGHTS

BASIC FORMULA PRICE. The Basic Formula Price for October 1997 is \$12.83 per hundredweight at 3.5 percent butterfat. The October Basic Formula Price is the September base month Minnesota-Wisconsin (M-W) price of \$12.68 at 3.5 percent plus a change of \$0.15, which is the change in the butter/powder/cheese formula from September 1997 to October 1997. The October 1997 Basic Formula Price is \$0.04 more than last month and \$1.30 less than the October 1996 Basic Formula Price. This Basic Formula Price is the Class III price for October 1997 and is to be used in December 1997 for establishing minimum Class I (fluid use) prices and minimum Class II prices under Federal milk orders. To arrive at the minimum Class I price for each market, a Class I differential, ranging from \$1.20 in the Upper Midwest order to \$4.18 in the Southeastern Florida order, is added to this basic formula price. To arrive at the minimum Class II price for all markets, a differential of \$0.30 is added to this basic formula price. For those orders which adjust blend prices for butterfat contents varying from 3.5 percent, the producer butterfat differential per 0.1 percent butterfat is 15.3 cents. **MILK COMPONENT CONTENTS.** For the September 1997 base month M-W price, the butterfat content was 3.76 percent, protein 3.20 percent, and solids-not-fat 8.58 percent. For the October 1997 Basic Formula Price, the butterfat content was 3.90 percent, protein 3.29 percent, and solids-not-fat 8.67 percent.

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT*1/														
FEDERAL MILK ORDER MARKETING AREAS 2/	ORDER NUMBER	OCTOBER								NOVEMBER			DECEMBER	
		PRICE PER 100 POUNDS								PRICE PER 100 POUNDS				
		CLASS I		CLASS II		CLASS III		CLASS III-A		CLASS I		CLASS II	CLASS I	CLASS II
		1997	1996	1997	1996	1997	1996	1997	1996	1997	1996	1997	1997	1997
		DOLLARS								DOLLARS				
New England (Boston)	1 3/	15.31	18.18	12.37	15.24	12.89	14.19	13.56	15.00	16.03	18.61	13.09	16.07	13.13
New York/New Jersey (NY City)	2 4/	15.21	18.08	12.45	15.32	12.97	14.27	13.64	15.08	15.93	18.51	13.17	15.97	13.21
Middle Atlantic (Philadelphia/ Baltimore/Washington, DC)	4 5/	15.10	17.97	12.37	15.24	12.91	14.21	13.58	15.02	15.82	18.40	13.09	15.86	13.13
Carolina (Charlotte)	5	15.15	18.02	12.37	15.24	12.83	14.13	13.50	14.94	15.87	18.45	13.09	15.91	13.13
Southeast (Atlanta/Birmingham)	7	15.15	18.02	12.37	15.24	12.83	14.13	13.50	14.94	15.87	18.45	13.09	15.91	13.13
Upper Florida (Jacksonville/Tallahassee)	6	15.65	18.52	12.37	15.24	12.83	14.13	---	---	16.37	18.95	13.09	16.41	13.13
Tampa Bay	12	15.95	18.82	12.37	15.24	12.83	14.13	---	---	16.67	19.25	13.09	16.71	13.13
Southeastern Florida (Miami)	13	16.25	19.12	12.37	15.24	12.83	14.13	---	---	16.97	19.55	13.09	17.01	13.13
Michigan Upper Peninsula (Marquette)	44	13.42	16.29	12.37	15.24	12.83	14.13	13.50	14.94	14.14	16.72	13.09	14.18	13.13
Southern Michigan (Detroit)	40 6/	13.82	16.69	12.37	15.24	12.83	14.13	13.50	14.94	14.54	17.12	13.09	14.58	13.13
E. Ohio/W. PA. (Cleveland/Pittsburgh)	36	14.07	16.94	12.37	15.24	12.83	14.13	13.50	14.94	14.79	17.37	13.09	14.83	13.13
Ohio Valley (Columbus)	33	14.11	16.98	12.37	15.24	12.83	14.13	13.50	14.94	14.83	17.41	13.09	14.87	13.13

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT*1/														
FEDERAL MILK ORDER MARKETING AREAS 2/	ORDER NUMBER	OCTOBER								NOVEMBER			DECEMBER	
		PRICE PER 100 POUNDS								PRICE PER 100 POUNDS				
		CLASS I		CLASS II		CLASS III		CLASS III-A		CLASS I		CLASS II	CLASS I	CLASS II
		1997	1996	1997	1996	1997	1996	1997	1996	1997	1996	1997	1997	1997
		DOLLARS								DOLLARS				
Indiana (Indianapolis)	49	13.97	16.84	12.37	15.24	12.83	14.13	13.50	14.94	14.69	17.27	13.09	14.73	13.13
Chicago Regional	30	13.47	16.34	12.37	15.24	12.83	14.13	13.50	14.94	14.19	16.77	13.09	14.23	13.13
Central Illinois (Peoria)	50	13.68	16.55	12.37	15.24	12.83	14.13	---	---	14.40	16.98	13.09	14.44	13.13
S. Illinois/E. Missouri (Alton)	32	13.99	16.86	12.37	15.24	12.83	14.13	---	---	14.71	17.29	13.09	14.75	13.13
Louisville/Lexington/Evansville	46	14.18	17.05	12.37	15.24	12.83	14.13	13.50	14.94	14.90	17.48	13.09	14.94	13.13
Upper Midwest (Minneapolis)	68	13.27	16.14	12.37	15.24	12.83	14.13	13.50	14.94	13.99	16.57	13.09	14.03	13.13
E. South Dakota (Sioux Falls)	76	13.57	16.44	12.37	15.24	12.83	14.13	---	---	14.29	16.87	13.09	14.33	13.13
Iowa (Des Moines)	79	13.62	16.49	12.37	15.24	12.83	14.13	13.50	14.94	14.34	16.92	13.09	14.38	13.13
Nebraska/W. IA. (Omaha/Sioux City)	65	13.82	16.69	12.37	15.24	12.83	14.13	13.50	14.94	13.54	17.12	13.09	13.58	13.13
Greater Kansas City	64	13.99	16.86	12.37	15.24	12.83	14.13	---	---	14.71	17.29	13.09	14.75	13.13
Southwest Plains (Oklahoma City)	106	14.84	17.71	12.37	15.24	12.83	14.13	13.50	14.94	15.56	18.14	13.09	15.60	13.13
Texas (Dallas)	126	15.23	18.10	12.37	15.24	12.83	14.13	13.50	14.94	15.95	18.53	13.09	15.99	13.13
Eastern Colorado (Denver)	137	14.80	17.67	12.37	15.24	12.83	14.13	---	---	15.52	18.10	13.09	15.56	13.13
Western Colorado (Grand Junction)	134	14.07	16.94	12.37	15.24	12.83	14.13	---	---	14.79	17.37	13.09	14.83	13.13
SW Idaho/Eastern Oregon (Boise)	135	13.57	16.44	12.37	15.24	12.83	14.13	13.38	14.56	14.29	16.87	13.09	14.33	13.13
Great Basin (Salt Lake City)	139	13.97	16.84	12.37	15.24	12.83	14.13	---	---	14.69	17.27	13.09	14.73	13.13
Central Arizona (Phoenix)	131	14.59	17.46	12.37	15.24	12.83	14.13	13.38	14.56	15.31	17.89	13.09	15.35	13.13
New Mexico/West Texas (Albuquerque)	138	14.42	17.29	12.37	15.24	12.83	14.13	13.50	14.94	15.14	17.72	13.09	15.18	13.13
Pacific Northwest (Seattle/Portland)	124	13.97	16.84	12.37	15.24	12.83	14.13	13.38	14.56	14.69	17.27	13.09	14.73	13.13
SIMPLE AVERAGE	---	14.39	17.26	12.37	15.24	12.84	14.14	13.50	14.90	15.11	17.69	13.09	15.15	13.13

* To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63--the approximate number of gallons in 100 pounds of milk. For example, the minimum Class I price in Boston (the New England market) in December 1997 is \$16.07 per 100 pounds or \$1.38 per gallon (\$16.07 divided by 11.63 equals \$1.3818).

1/ Note: The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order resumed effective June 1, 1996. This assessment applies to all persons who process and market more than 500,000 pounds of fluid milk products in consumer-type packages in the 48 contiguous States and the District of Columbia during the month.

2/ Names in parentheses are principal cities and pricing points of markets.

3/ Zone 1, Boston. Class I price at 201-210 mile zone--72 cents less.

4/ New York City metropolitan area. Prices at 201-210 mile zone: Class I - 72 cents less, Class II - 8 cents less, Class III - 8 cents less, and Class III-A - 8 cents less.

5/ Prices exclude a 6-cent direct delivery differential applicable to milk delivered to Philadelphia.

6/ Prices exclude a 10-cent direct delivery differential applicable to milk delivered to Detroit metropolitan area.

**MAILBOX MILK PRICES FOR SELECTED FEDERAL MILK ORDERS,
AUGUST 1997, WITH COMPARISONS**

In August 1997, mailbox milk prices reported for selected Federal milk orders averaged \$12.28 per cwt., \$.56 more than the figure for the previous month. On a regional basis, the average prices and changes from the previous month were: Northeast, \$12.33, up \$.50; Southeast, \$13.18, up \$.09; Midwest, \$12.35, up \$.71 and West, \$11.63, up \$.55. Compared to August 1996, mailbox milk prices decreased \$3.00 per cwt. on the average. Regional changes from the previous year were: -\$2.83 in the Northeast, -\$3.51 in the Southeast, -\$2.99 in the Midwest, and -\$3.10 in the West. The average minimum blend price in August 1997 was \$3.10 below the price in the previous year.

Federal milk order <u>1/</u>	Mailbox Milk Price <u>2/</u>		
	August 1996	July 1997	August 1997
	<u>Dollars per hundredweight</u>		
New England	15.00	12.72 <u>3/</u>	13.04 <u>3/</u>
New York-New Jersey	15.05	11.46	12.02
Middle Atlantic	15.49	11.71	12.03
Northeast Average <u>4/</u>	15.16	11.83*	12.33
Carolina	16.69	13.09	13.11
Tennessee Valley	15.95	12.43	12.59
Southeast	15.90	12.17	12.47
Florida <u>5/</u>	18.59	15.04	15.06
Southeast Average <u>4/</u>	16.69	13.09*	13.18
Southern Michigan	14.90	11.83	12.07
Eastern Ohio-Western Pa.	14.98	11.42	12.00
Ohio Valley	15.02	11.51	11.88
Indiana	14.89	11.79	11.92
Chicago Regional	15.88	11.75	12.89
S. Illinois-E. Missouri	14.61	11.50	11.81
Louis.-Lex.-Evans.	15.37	11.94	12.10
Upper Midwest	15.73	11.53	12.64
Nebraska-Western Iowa	15.00	11.38	12.14
Iowa	15.43	11.44	12.29
Midwest Average <u>4/</u>	15.34	11.64	12.35
Texas	15.23	11.57	11.91
Southwest Plains	14.57	10.94	11.51
Eastern Colorado	14.50	11.12	11.80
S.W. Idaho-E. Oregon	14.74	10.59	11.70
Great Basin	14.30	10.53	11.27
New Mexico-West Texas	14.14	10.62	11.17
Pacific Northwest	14.85	11.42	11.69
West Average <u>4/</u>	14.73	11.08	11.63
All-Market Average <u>4/</u>	15.28	11.72*	12.28

*Revised

1/ Federal milk orders for which information could be released. 2/ Net pay price received by dairy farmers marketing milk to handlers regulated under the Federal milk orders. Includes all payments received for milk sold and all costs associated with marketing the milk. Price is reported at the market average butterfat test. Also, for some orders, price is a weighted average for all pricing zones in the order. 3/ Includes Northeast Dairy Compact Over Order Producer Price. 4/ Weighted average of the information for the orders listed in the region or for all selected orders combined. 5/ Weighted average of the information for the Upper Florida, Tampa Bay, and Southeastern Florida orders.

MINIMUM FEDERAL ORDER AND ANNOUNCED COOPERATIVE CLASS I PRICES IN SELECTED CITIES 1/												
CITY	NOV 1995			NOV 1996			OCT 1997			NOV 1997		
	Federal Order	Coop.	Difference	Federal Order	Coop.	Difference	Federal Order	Coop.	Difference	Federal Order	Coop.	Difference
	Dollars Per Hundredweight											
Atlanta, GA	15.16	15.51	0.35	18.45	19.72	1.27	15.15	16.35	1.20	15.87	17.07	1.20
Baltimore, MD	15.11	16.06	0.95	18.40	19.45	1.05	15.10	16.15	1.05	15.82	17.27	1.45
Boston, MA **	15.32	16.05	0.73	18.61	19.34	0.73	15.31	15.94	0.63	16.03	16.66	0.63
Carbondale, IL	14.09	15.20	1.11	17.38	19.08	1.70	14.08	16.07	1.99	14.80	16.79	1.99
Charlotte, NC	15.16	15.81	0.65	18.45	20.08	1.63	15.15	16.35	1.20	15.87	17.07	1.20
Chicago, IL	13.48	14.99	1.51	16.77	18.87	2.10	13.47	15.63	2.16	14.19	16.35	2.16
Cincinnati, OH	14.19	14.89	0.70	17.48	18.73	1.25	14.18	16.08	1.90	14.90	16.80	1.90
Cleveland, OH	14.08	14.70	0.62	17.37	18.44	1.07	14.07	15.97	1.90	14.79	16.69	1.90
Dallas, TX	15.24	15.44	0.20	18.53	19.08	0.55	15.23	16.23	1.00	15.95	16.92	0.97
Denver, CO	14.81	15.52	0.71	18.10	18.25	0.15	14.80	14.95	0.15	15.52	15.67	0.15
Des Moines, IA	13.63	14.38	0.75	16.92	18.52	1.60	13.62	15.15	1.53	14.34	15.90	1.56
Detroit, MI	13.93	14.67	0.74	17.22	18.21	0.99	13.92	14.92	1.00	14.64	15.64	1.00
Hartford, CT **	15.22	15.95	0.73	18.51	19.24	0.73	15.21	15.84	0.63	15.93	16.56	0.63
Houston, TX	15.78	15.98	0.20	19.07	19.62	0.55	15.77	16.77	1.00	16.49	17.46	0.97
Indianapolis, IN	13.98	14.86	0.88	17.27	18.59	1.32	13.97	15.81	1.84	14.69	16.53	1.84
Kansas City, MO	14.00	14.55	0.55	17.29	18.54	1.25	13.99	15.47	1.48	14.71	16.22	1.51
Little Rock, AR	14.85	15.20	0.35	18.14	18.21	0.07	14.84	15.84	1.00	15.56	16.56	1.00
Louisville, KY	14.19	14.59	0.40	17.48	18.38	0.90	14.18	15.13	0.95	14.90	15.80	0.90
Miami, FL	16.26	17.88	1.62	19.55	22.13	2.58	16.25	19.16	2.91	16.97	19.88	2.91
Milwaukee, WI	13.39	14.90	1.51	16.68	18.78	2.10	13.38	15.54	2.16	14.10	16.26	2.16
Minneapolis, MN	13.28	14.03	0.75	16.57	18.14	1.57	13.27	14.77	1.50	13.99	15.49	1.50
New Orleans, LA	15.73	16.08	0.35	19.02	19.24	0.22	15.72	16.72	1.00	16.44	17.44	1.00
Oklahoma City, OK	14.85	15.02	0.17	18.14	18.69	0.55	14.84	15.84	1.00	15.56	16.56	1.00
Omaha, NE	13.83	14.58	0.75	17.12	18.37	1.25	13.82	15.30	1.48	14.54	16.05	1.51
Philadelphia, PA	15.17	15.97	0.80	18.46	19.46	1.00	15.16	16.18	1.02	15.88	17.30	1.42
Phoenix, AZ	14.60	14.60	0.00	17.89	17.89	0.00	14.59	14.59	0.00	15.31	15.31	0.00
Pittsburgh, PA	14.08	14.68	0.60	17.37	18.17	0.80	14.07	14.87	0.80	14.79	15.59	0.80
St. Louis, MO	14.09	15.20	1.11	17.38	19.08	1.70	14.08	16.07	1.99	14.80	16.79	1.99
Salt Lake City, UT	13.98	14.13	0.15	17.27	17.42	0.15	13.97	14.12	0.15	14.69	14.84	0.15
Seattle, WA	13.98	14.43	0.45	17.27	17.57	0.30	13.97	14.35	0.38	14.69	15.07	0.38
Spokane, WA	13.98	14.43	0.45	17.27	17.57	0.30	13.97	14.35	0.38	14.69	15.07	0.38
Springfield, MO	14.27	14.67	0.40	17.56	18.11	0.55	14.26	15.26	1.00	14.98	15.98	1.00
Washington, DC	15.11	16.06	0.95	18.40	19.45	1.05	15.10	16.15	1.05	15.82	17.27	1.45
Simple Average	14.51	15.18	0.67	17.80	18.80	1.00	14.50	15.69	1.19	15.22	16.46	1.24

**NOTE: The Northeast Dairy Compact has established a Class I price level of \$16.94 for the period July-December 1997. The Compact obligation is \$16.94 less the Federal order Class I price shown for Boston. The effective Class I price level is the Federal order price at location plus the Compact obligation plus the figure shown under the column labeled "Difference".

1/ Class I prices announced for the beginning of the month by the major cooperative in each city market. These prices may not apply to all of the Class I sales in these city markets. Announced prices may not include handling or service charges applicable to milk from supply plants and competitive credits which may be allowed. These prices have not been verified as having been actually paid by handlers.

CCC PURCHASES OF DAIRY PRODUCTS

	FOR THE WEEK OF NOVEMBER 10 - 14, 1997				CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL	CONTRACT	ADJUSTED	SINCE	SAME PERIOD	PERIOD ENDING	SAME PERIOD	
	PURCHASES	ADJUSTMENTS	PURCHASES	10/01/97	LAST YEAR	11/07/97	LAST YEAR	
BUTTER								
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CHEESE								
Block	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Process	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
NONFAT DRY MILK								
Nonfortified	1,012,958	119,048	893,910	1,302,822	-0-	-0-	-0-	-0-
Fortified	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	1,012,958	119,048	893,910	1,302,822	-0-	-0-	-0-	-0-

MILK EQUIVALENT, MILKFAT AND SKIM SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT*	SKIM**		MILKFAT*	SKIM**
	BASIS	SOLIDS		BASIS	SOLIDS
WEEK OF NOVEMBER 10 - 14, 1997 =	0.2	10.4	COMPARABLE WEEK IN 1996 =	0.0	0.0
CUMULATIVE SINCE OCTOBER 1, 1997 =	0.3	15.2	CUMULATIVE SAME PERIOD LAST YEAR =	0.0	0.0
CUMULATIVE JANUARY 1 - NOVEMBER 14, 1997 =	24.9	405.6	COMPARABLE CALENDAR YEAR 1996 =	0.0	0.0

* Factors used for Milkfat Solids Basis: Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22

**Factors used for Skim Solids Basis: Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

	CCC ADJUSTED PURCHASES SINCE 10/1/97 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL							
	BUTTER	CHEESE	NONFAT DRY MILK	MILK EQUIVALENT				
REGION	1997/98	1996/97	1997/98	1996/97	1997/98	1996/97	1997/98	1996/97
MIDWEST	-0-	-0-	-0-	-0-	-0-	-0-	0.0	0.0
WEST	-0-	-0-	-0-	-0-	1,192,647	-0-	91.5	0.0
EAST	-0-	-0-	-0-	-0-	110,175	-0-	8.5	0.0
TOTAL	-0-	-0-	-0-	-0-	1,302,822	-0-	100.0	0.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JANUARY 1, 1997

MANUFACTURING MILK: Average Test 3.67% - \$10.20 per cwt.; 3.5% - \$10.10

DOLLARS PER POUND

BUTTER: Bulk \$.6500; 1# Prints \$.6800

CHEESE: 40 & 60# Blocks \$1.1300; 500# Barrels \$1.1000; Process American 5# \$1.1825; Process American 2# \$1.2225

NONFAT DRY MILK: Nonfortified \$1.0470; Fortified \$1.0570; Instant \$1.2045

Dairy Cow & Total Cow Slaughter under Federal Inspection, by Regions & U.S., for Week Ending 10/25/97 & Comparable Week 1996 (1/ 2/)

Daily Cow & Total Cow Slaughter under Federal Inspection, by Regions & U.S. 101 WEEK ENDING 10/25/97 & Comparable Week 1996											U.S. TOTAL		% DAIRY OF ALL												
Regions*	:	1	:	2	:	3**	:	4**	:	5	:	6	:	7	:	8	:	9	:	10	:	WEEK :SINCE JAN 1:	WEEK : SINCE JAN 1		
1997-Dairy cows HD (000)	:	0.3	:	1.9	:	---	:	14.1	:	26.5	:	2.8	:	3.3	:	1.1	:	10.2	:	2.7	:	62.9	2,370.8	43.0	45.8
1996-Dairy cows HD (000)	:	0.4	:	1.6	:	---	:	15.0	:	29.4	:	2.2	:	3.5	:	1.0	:	9.2	:	2.6	:	65.0	2,454.9	40.7	43.2
1997-All cows HD (000)	:	0.3	:	1.9	:	---	:	29.8	:	37.3	:	22.4	:	21.7	:	10.4	:	14.0	:	8.4	:	146.2	5,172.8		
1996-All cows HD (000)	:	0.4	:	1.7	:	---	:	31.7	:	40.0	:	26.8	:	24.6	:	12.6	:	13.5	:	8.4	:	159.6	5,680.1	**REGION 3 & 4 COMBINED**	

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CCC MARKET PRICE INVITATIONS (POUNDS) 11/07/97

CHEESE JANUARY DELIVERY OFFERS ARE DUE NOV. 18. PUBLIC RELEASE OF AWARDS WILL BE NOV. 21 AT 4:00 P.M.(CST).

PROCESS	
2# LOAVES	594,000
5# LOAVES	2,613,600
SLICED	3,088,800
4/5# SHREDDED	38,400
MOZZARELLA	1,290,240
LITE	201,600
LITE, SHREDDED	524,160
NATURAL AMERICAN	
CUTS	239,700
SHREDDED	153,600
REDUCED FAT - BLOCKS	39,951
REDUCED FAT - CUTS	279,650
REDUCED FAT - SHREDDED	307,200

CUMULATIVE TOTAL CHEESE PURCHASES SINCE 10/1/97 = 13,310,262

CUMULATIVE TOTAL NDM PURCHASES SINCE 10/1/97 = 85,979

BASIC FORMULA PRICE (BFP), MAY 1995* TO DATE & HISTORIC M-W (3.5% BF, \$/CWT.)

YEAR	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.
1994	12.41	12.41	12.77	12.99	11.51	11.25	11.41	11.73	12.04	12.29	11.86	11.38
1995	11.35	11.79	11.89	11.16	*11.12	11.42	11.23	11.55	12.08	12.61	12.87	12.91
1996	12.73	12.59	12.70	13.09	13.77	13.92	14.49	14.94	15.37	14.13	11.61	11.34
1997	11.94	12.46	12.49	11.44	10.70	10.74	10.86	12.07	12.79	12.83		